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ELECTRONICALLY FILED BY
BELDING, HARRIS & PETRONI, LTD.

ON 1/25/11

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

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IN RE:

BK-10-53281
(Chapter 11)

PETER G. LAHNER and BRENDA
M. LAHNER, husband and wife,

**DEBTORS' REPLY TO UMPQUA BANK'S
OBJECTION TO DEBTORS' CLAIM OF
EXEMPTION**

Debtors.

Hrg. DATE: February 9, 2011
Hrg. TIME: 10:00 a.m.

PETER G. LAHNER and BRENDA M. LAHNER, Debtors and Debtors-in-Possession herein ("Debtors"), by and through their attorney STEPHEN R. HARRIS, ESQ. of BELDING, HARRIS & PETRONI, LTD., hereby file their DEBTORS' REPLY TO UMPQUA BANK'S OBJECTION TO DEBTORS' CLAIM OF EXEMPTION, and allege as follows:

1. On October 22, 2010, Umpqua Bank ("Umpqua") filed its OBJECTION TO DEBTORS' CLAIM OF EXEMPTION (Docket No. 26) ("Objection").

2. Debtors have claimed their common stock ownership in ALPINE AUTO SERVICE, INC., a Nevada corporation, as exempt pursuant to NRS 21.090(1)(bb) which Debtors claim a value of \$100,000 in their Schedules filed on September 9, 2010, as Docket No. 15. Umpqua's primary objection to the claimed stock exemption is that there has to be more than one shareholder, but fewer than one hundred shareholders of record at any time. Both Debtors are shareholders in ALPINE AUTO SERVICE, INC., by reason of their joint ownership of Stock Certificate No. 1 for 1,000 shares. A copy of Stock Certificate No. 1 is attached hereto as Exhibit "A" and incorporated herein by that reference. Therefore, Debtors' common stock in ALPINE AUTO

1 SERVICE, INC. is exempt because there is more than one shareholder, in that Debtors together
2 represent two (2) shareholders in ALPINE AUTO SERVICE, INC.

3 WHEREFORE, Debtors request that Debtors' exemption with respect to their stock
4 ownership in ALPINE AUTO SERVICE INC., be sustained, and that Umpqua's Objection be denied.

5 DATED this 25th day of January, 2011.

6 STEPHEN R. HARRIS, ESQ.
7 BELDING, HARRIS & PETRONI, LTD.
8 417 West Plumb Lane
9 Reno, Nevada 89509

10 /s/ Stephen R. Harris
11 Attorney for Debtors
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EXHIBIT “A”

EXHIBIT “A”

INCORPORATED UNDER THE LAWS OF THE STATE OF NEVADA

1,000

ALPINE AUTO SERVICE, INC.

SEE REVERSE FOR
CERTAIN DEFINITIONS

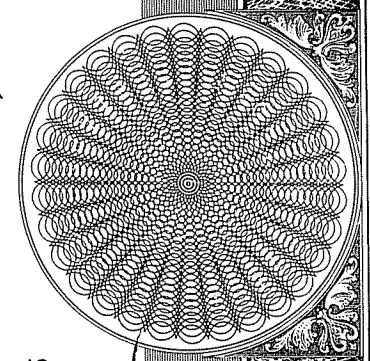
TOTAL AUTHORIZED ISSUE
2,500 SHARES WITHOUT PAR VALUE

This is to Certify that PETER G. LAHNER and BRENDA MAE LAHNER are *the OWNER of*

One Thousand (1,000) *fully paid and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder hereof in person or by duly authorized Attorney upon surrender of this Certificate properly endorsed.*

Witness, the seal of the Corporation and the signatures of its duly authorized officers.

Dated September 30, 1986



[Signature]
SECRETARY

[Signature]
PRESIDENT